



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE

United States Patent and Trademark Office

Address: COMMISSIONER FOR PATENTS

P.O. Box 1450

Alexandria, Virginia 22313-1450

www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/697,541	10/30/2003	Alan M. Buckwalter	G08,047/U	7586
28962	7590	02/21/2008		
BUCKLEY, MASCHOFF & TALWALKAR LLC				
50 LOCUST AVENUE				
NEW CANAAN, CT 06840				
EXAMINER				
MERCHANT, SHAHID R				
ART UNIT		PAPER NUMBER		
3692				
MAIL DATE		DELIVERY MODE		
02/21/2008		PAPER		

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

### Office Action Summary

**Application No.**

10/697,541

**Applicant(s)**

BUCKWALTER ET AL.

**Examiner**

SHAHID R. MERCHANT

**Art Unit**

3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 05 December 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-40 is/are pending in the application.
- 4a) Of the above claim(s) 2-6, 10-12, 15-19, 28-34, 37, 38 and 40 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1, 7-9, 13, 14, 20-27, 35 and 39 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_

## **DETAILED ACTION**

### ***Status of the Claims***

1. This action is in response to the amendment filed on December 5, 2007. Claims 1, 7, 9, 13, 14, 20-27, 35 and 39 are pending. Claims 2-6, 10-12, 15-19, 28-34, 36-38 and 40 have been withdrawn. Claim 1 has been amended.

### ***Response to Arguments***

2. Applicant's arguments, see pages 11-12, filed December 5, 2007, with respect to claims 1, 20, 35 and 39 (35 U.S.C. 112 2<sup>nd</sup> paragraph) have been fully considered and are persuasive. The rejection of claims 1, 20, 35 and 39 (35 U.S.C. 112 2<sup>nd</sup> paragraph) has been withdrawn.

3. Regarding claims 8 and 21, Applicant has failed to adequately rebut Examiner's Official Notice (see Office Action dated June 4, 2007) that it is well known and practiced in the arts to tabulate and divide tabulated data for the purpose of displaying data and information to a user in an easy to read format. Examiner notes the following discussion of Official Notice taken from the MPEP:

To adequately traverse such a finding, an applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. See 37 CFR 1.111(b). See also *Chevenard*, 139 F.2d at 713, 60 USPQ at 241 ("[I]n the absence of any demand by appellant for the examiner to produce authority for his statement, we will not consider this contention."). A general allegation that the claims define a patentable invention without any reference to the examiner's assertion of official notice would be inadequate. If applicant adequately traverses the examiner's assertion of official notice, the examiner must provide documentary evidence in the next Office action if the rejection is to be maintained. See 37 CFR 1.104(c)(2). See also *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 ("[T]he Board [or examiner] must point to some concrete evidence in the record in support of these findings" to satisfy the substantial evidence test). If the examiner

Art Unit: 3692

is relying on personal knowledge to support the finding of what is known in the art, the examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2). If applicant does not traverse the examiner's assertion of official notice or applicant's traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner's assertion of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner should include an explanation as to why it was inadequate. (MPEP § 2144.03(C))

Applicant has not "specifically pointed out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art." For this reason, the aforementioned limitations are taken to be admitted prior art.

4. Applicant's arguments with respect to claims 1, 7-9, 13, 14, 20-27, 35 and 39 have been considered but are moot in view of the new ground(s) of rejection.

### ***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1, 7, 9, 13-14, 20, 22-27, 35 and 39 rejected under 35 U.S.C. 103(a) as being unpatentable over Nordlicht et al., U.S. Patent Application Publication 2002/0194115 (see PTO-892, Ref. A) in view of Securities Exchange Act of 1934, Rules 11Ac1-5 and 11Ac1-7 (see PTO-892, Refs. U and V). Hereinafter Exchange Act.

7. As per claim 1, Nordlicht teaches a method comprising:

identifying an option limit order, said option limit order including information identifying a customer, information identifying a desired option, and information that indicates a limit price for said option limit order (see paragraphs 48 and 85);

receiving a substantially real time feed of option market data (see paragraphs 9-15).

Nordlicht does not explicitly teach using the option market data in real time to identify a trade-through transaction relevant to said option limit order, said identifying occurring at a time prior to said option limit order being fully executed, deleted or canceled.

Exchange Act teaches using the option market data in real time to identify a trade-through transaction relevant to said option limit order, said identifying occurring at a time prior to said option limit order being fully executed, deleted or canceled (see Ref. U, page 22 and Ref. V, pages 8, 9, 10, 14, 27, 28, 31, 33 and 35). Rules 11Ac1-5 and 11Ac1-7 of the Securities Exchange Act of 1934 focus on various information that must be provided to a customer regarding their orders. Rule 11Ac1-5 requires market centers to make available to the public monthly electronic reports that include statistical measures of execution quality. Rule 11Ac1-7 requires a broker to disclose to its customer when an order placed by the customer is executed at an inferior price to a better published price on another market at that same instant.

Therefore, it would be prima facie obvious to a person of ordinary skill in the art at the time of the invention to combine the teachings of Nordlicht and Exchange Act to

identify a trade-through transaction relevant to an option order because it is a required disclosure by the U.S. Securities and Exchange Commission (see Ref. U and V).

8. As per claim 7, Nordlicht and Exchange Act teach the method of claim 1 as described above. Nordlicht further teaches comprising: using the identified at least one of a trade-through transaction and a trade-at transaction to tabulate at least one of trade-through data and trade-at data for a plurality of option limit orders placed by the customer; tabulating fulfillment data for the plurality of option limit orders placed by the customer; and comparing the tabulated fulfillment data to the tabulated at least one of trade-through data and trade-at data (see paragraphs 82-83, 139 and Figure 7A).

9. As per claim 8, see paragraph 3 above of this Office Action.

10. As per claim 9, Nordlicht and Exchange Act teach the method of claim 1 as described above. Nordlicht further teaches wherein the identifying the option limit order includes receiving the option limit order (see paragraph 85).

11. As per claim 13, Nordlicht and Exchange Act teach the method of claim 1 as described above. Nordlicht further teaches wherein said information identifying a desired option further includes: a type of said order, a security underlyer, an option expiration date, and a size of said order (see paragraphs 3 and 85).

12. As per claim 14, Nordlicht and Exchange Act teach the method of claim 1 as described above. Nordlicht further teaches comprising: disregarding the identified at least one of a trade-through transaction and a trade-at transaction in response to a market condition in effect at a time of the transaction (see paragraph 86).

13. As per claim 20, Nordlicht teaches a method comprising:

receiving a plurality of option limit orders, each of said option limit orders including information identifying a respective desired option, and information that indicates a respective limit price for said option limit order (see paragraph 85);

tabulating data for the plurality of option limit orders (see paragraphs 82-83, 139 and Figure 7A);

tabulating fulfillment data for the plurality of option limit orders (see paragraphs 82-83, 139 and Figure 7A); and

comparing the tabulated fulfillment data to the tabulated data (see paragraphs 82-83, 139 and Figure 7A).

Nordlicht does not explicitly teach about tabulating trade-through data.

Exchange Act teaches identifying a trade-through transaction.

Therefore, it would be prima facie obvious to a person of ordinary skill in the art at the time of the invention to combine the teachings of Nordlicht and Exchange Act teaches to tabulate trade-through data because it would allow one to identify when a customer is not getting the best price as taught by Exchange Act.

Official Notice is taken that tabulating data in rows and columns for the purpose of displaying data and information to a user in an easy to read format is old and well known in the arts.

14. As per claim 21, see paragraph 3 above of this Office Action.

15. As per claim 22, Nordlicht and Exchange Act teach the method of claim 20 as described above. Nordlicht further teaches wherein the tabulating at least one of trade-

through data and trade-at data includes purging cancelled transactions (see paragraph 139).

16. As per claim 23, Nordlicht and Exchange Act teach the method of claim 20 as described above. Nordlicht further teaches wherein the at least one of trade-through data and trade-at data corresponds only to transactions occurring on a leading exchange (see paragraph 3). Data gathered under Rule 11Ac1-7 would provide information regarding transactions occurring on a leading exchange.

17. As per claim 24, Nordlicht and Exchange Act teach the method of claim 20 as described above. Nordlicht further teaches wherein the tabulating at least one of trade-through and trade-at data includes carrying over open option limit orders from a previous trading day (see paragraphs 51-56).

18. As per claim 25, Nordlicht and Exchange Act teach the method of claim 20 as described above. Nordlicht further teaches wherein the tabulating at least one of trade-through data and trade at data includes tabulating at least one of trade-through data and trade-at data that pertains to a single customer (see paragraphs 138-139).

19. As per claim 26, Nordlicht and Exchange Act teach the method of claim 20 as described above. Nordlicht further teaches wherein the tabulating at least one of trade-through data and trade at data includes tabulating at least one of trade-through data and trade-at data that pertains to option limit orders routed to a single exchange (see paragraphs 34-49). Data gathered under Rule 11Ac1-7 would provide information regarding transactions routed to a single exchange.



20. As per claim 27, Nordlicht and Exchange Act teach the method of claim 20 as described above. Nordlicht further teaches wherein the tabulating at least one of trade-through data and trade-at data and the tabulating fulfillment data are performed with respect to each trading day (see paragraphs 138-139).

21. Claims 35 and 39 recite similar limitations to claim 20 and thus rejected using the same art and rationale in the rejection of claim 20 as set forth above (see also paragraphs 29-33).

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to SHAHID R. MERCHANT whose telephone number is (571)270-1360. The examiner can normally be reached on First Friday Off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz P. Abdi can be reached on 571-272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a

Art Unit: 3692

USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

SRM

/Kambiz Abdi/  
Supervisory Patent Examiner, Art  
Unit 3692